

MEETING NO. 4204
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, FEBRUARY 21, 2018**

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee/Chair
Kimberly Hall-Wagner	Trustee
Christa Mclellan	Ex-Officio Trustee/City Treasurer
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/Vice-Chair
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

None

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Francis Judd	For General Counsel
Dr. Reginald O'Neal	Medical Director
TaKneisha Johnson	Administrative Assistant III

STAFF EXCUSED

None

CHAIRPERSON

Tasha L. Cowan

The Board's Administrative Assistant took a verbal Roll Call at 10:21 a.m. and Chairperson Cowan called the meeting to order.

Present at Roll Call: Scott Benson, Tasha L. Cowan, Lori Cetlinski, Kimberly Hall-Wagner, June Nickleberry and Thomas Sheehan

MEDICAL DIRECTOR'S REPORT

Re: Entering Into Closed Session

Resolution Moved By: Trustee Sheehan – Supported By: Trustee Nickleberry

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act ("OMA") being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enter into Closed Session with the Board's Medical Director to discuss disability re-examination reports.

A Roll Call Vote was taken as follows:

Yeas: Benson, Cetlinski, Cowan, Hall-Wagner, Nickleberry and Sheehan – 6

Nays: None

The Board entered into **Closed Session** at 10:22 a.m.

- **Trustees John Naglick and Christa Mclellan** entered the Board Meeting at 10:23 a.m.

Re: Open Session

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that the Board come out of Closed Session.

Yeas: Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry
and Sheehan – 8

Nays: None

The Board returned to **Open Session** at 10:28 a.m.

Trustee Wendell Anthony entered the Board Meeting at 10:29 a.m.

Re: Annual Re-examinations

Motion By: Trustee Sheehan – Supported By: Trustee Cetlinski

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability/Non-Duty Disability Retirement Payroll with no further examinations necessary:

**Tanisha Farr
Kenneth E. Hughes
Artella D. Jones**

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry
and Sheehan – 9

Nays: None

Open Forum

Chairperson **Tasha L. Cowan** opened the meeting for public discussion:

City of Detroit Retiree **Cedric Cook** addressed the Board regarding the following:

- Settlement Request Response letter
 - The Board of Trustees directed that General Counsel follow-up with Mr. Cook.

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Gregory D. Grays – TEO - Transportation
SERVICE CREDIT	17-06
EFFECTIVE DATE	08-09-17

NAME, TITLE, DEPARTMENT	Terril Hill – Water Systems Mechanic – Water & Sewerage
SERVICE CREDIT	25-07
EFFECTIVE DATE	12-05-17

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **EARLY RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	James J. Stewart - TEO - Transportation
SERVICE CREDIT	25-10
EFFECTIVE DATE	01-17-18

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Option Change

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **OPTION CHANGE** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Orvin M. Smith – Vehicle Operator I - DPW
SERVICE CREDIT	19-09
EFFECTIVE DATE	12-04-17
FROM:	Three/Pop-Up – Equate Age 62
TO:	Three/Pop-Up

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Change of Effective Date

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **CHANGE OF EFFECTIVE DATE** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Ronald R. Ghee – Service Guard-Pblc Util – Water & Sewerage (Conv. From Non-Duty Disability)
SERVICE CREDIT	13-05
FROM:	10-27-11
TO:	01-31-18

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry
and Sheehan – 9

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts Hybrid Liquid Reserve
RSCD-General Start Date: 2/8/2018
End Date: 2/19/2018

Doc. Date	Description	Receipt
2/9/2018	Employee Annuity After- Tax Contribution 2-9-2018	65,778.92
2/9/2018	Employee Pension Pre-Tax Contributions 2-9-2018	98,208.21
2/16/2018	Employee Pension Pre-Tax Contributions 2-16-2018	238,031.41
2/16/2018	Employee Annuity After-Tax Contributions 2-16-2018	140,193.62
2/16/2018	Employer Match Water and Sewer- Qtr Ending 12-31-2017	319,116.45
		<u>861,328.61</u>

Cash Receipts Legacy Liquid Reserve
RSCD-General Start Date: 2/8/2018
End Date: 2/19/2018

Doc. Date	Description	Receipt
2/16/2018	Reimbursement to the Retirement System for payment of additional benefit	351,500.00

Total Receipts

\$ 1,212,828.61

Re: Fees and Expenses

Resolution Moved By: Trustee Sheehan - Supported By: Trustee Anthony

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses;
THEREFORE BE IT

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

Bills Pending Payment			Disbursements		Page:	1 of 2
Company: 01-Legacy Fund					Date:	2/19/2018 1:19 PM
Account	Payment Method	Currency				
F ACCT PAY	ACH	US				
Vendor Name	Invoice Number	Invoice Description	Amount To Pay			
500 WEBWARD LLC	45506	Rent - January 2018	23,765.03			
Crain Communications, Inc	100126006	New Job Posting	1,008.00			
8x8, INC.	2123569	Phone System Services	1,356.62			
Cogent Communications, Inc.	020118	Salary Offset	1,023.00			
BNY Mellon	111-2018-0002629	Management Fees - 4th Qtr '17	48,297.34			
PLANTE & MORAN	1511306	Final Billing for 2017 Divisional Audit	21,850.00			
PLANTE & MORAN	1511321	Final Bill for Year-end 6/30/17 Audit	4,200.00			
THE TOWNSEND GROUP	11542	Professional Services - January 2018	11,250.00			
UHY Advisors MI, Inc.	1239823	Professional IT Services for January 2018	72,412.50			
UHY Advisors MI, Inc.	1239822	Professional IT Services: January 2018	14,531.25			
500 WEBWARD LLC	47625	Rent - February 2018	23,765.03			
MELLON CAPITAL MANAGEMENT	20171231-501-A	Management Fees - 4th Qtr '17	117,600.78			
ADP, INC	508821663	Check Printing Services	8,615.61			
Landmark Equity Partners XV, LP	021418	Capital Call	362,695.00			
Cash Account/Payment Method Total:			14 Documents	712,570.16		

F ACCT PAY	CHECK	US				
Vendor Name	Invoice Number	Invoice Description	Amount To Pay			
DALTON COMMERCIAL CLEANING CORP.	235799	Carpet Cleaning	1,057.50			
Bodman	635113	Paylocity Contract Review	1,857.75			
RACINE & ASSOCIATES	12242.1	DGRS v. Capazzoli - December 2017	6,355.95			
QUILL CORPORATION	4182319	Office Supplies	257.70			
QUILL CORPORATION	4219533	Office Supplies	17.84			
QUILL CORPORATION	4254558	Office Supplies	15.89			
CINTAS CORPORATION-300	300181165	Floor Mats	79.23			
RUSSELL INVESTMENTS	84498	Russell Index Subscriptions	125.00			
QUILL CORPORATION	4336971	Office Supplies	56.99			
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	100055870	Printer Maintenance	129.10			
MICRO CENTER	8491537	Computer Equipment	924.96			
CHRYSLIS CONSULTING, LLC	18103	Consulting Services 1/1/18-1/31/18	798.50			
IRON MOUNTAIN	201529472	Storage CDs	775.57			
RACINE & ASSOCIATES	12228	DGRS v. Capazzoli - November 2017	18,492.83			
RICOH	5052249004	Printer Maintenance	257.25			
XEROX	062064362	Printer Maintenance	25.16			
CREATIVE BREAKTHROUGHS INC	1198446-A	IT Security Services	11,548.17			
MICRO CENTER	8499093	Computer Equipment	909.98			
GABRIEL, ROEDER, SMITH & CO	436473	Actuarial Services for January 2018	14,181.00			
FEDEX	6-088-74961	FedEx Mailings	24.03			
THOMAS SHEEHAN	021918	Trustee Stipend	800.00			
WENDELL ANTHONY	021918	Trustee Stipend	800.00			
Cash Account/Payment Method Total:			22 Documents	59,258.42		

* Payment amount is estimated based on the effective date 2/19/2018

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Cetlinski - Supported By: Trustee Nickleberry

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth:

List No. 7348 - \$374,822.82

List No. 7349 - \$250,008.09

including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Employee Loan Program February 14, 2018

Motion By: Trustee Cetlinski - Supported By: Trustee Nickleberry

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$10,613.00** including interest, be hereby **APPROVED**.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

Re: Minutes/Journal No. 4202 – (01/17/18)

Motion By: Trustee Sheehan – Supported By: Trustee Hall-Wagner

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4202**, held on **January 17, 2018**, be hereby **APPROVED** as recorded and submitted.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

Nays: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail Oxendine**, addressed the following with the Board of Trustees:

- National Association of Securities Professionals (N.A.S.P.) Black History Celebration Flyer
- Election update (Active Employee Trustee seat)
 - Ballot counting will occur on Friday 2/23/2018.

~Assistant Executive Director's Report concludes~

GENERAL COUNSEL'S REPORT

Francis Judd, for General Counsel Michael VanOverbeke, in addition to his formal legal report discussed the following matters with the Board:

- Benefits of Stacey Nelson
- Policies and Procedures update (Disability Re-examination policy)
- Recie L. Pritchett v. Carl E. Pritchett
- Carl Melchior v. Board of Trustees of the General Retirement System of the City of Detroit (update)

~General Counsel's Report concludes~

RE: Recie L. Pritchett v. Carl E. Pritchett
Wayne County Circuit Court Case No. 17-112017-DO

Motion By: Trustee Sheehan Supported By: Trustee Anthony

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order ("EDRO"), dated December 14, 2017, wherein Recie L. Pritchett, the Alternate Payee, is awarded certain rights to the retirement allowance of Carl E. Pritchett, the Participant, and

WHEREAS, the Retirement System consists of both a defined benefit plan and a defined contribution (a/k/a the Annuity Savings Fund) plan, and

WHEREAS, pursuant to the EDRO, the Alternate Payee is only entitled to a portion of the Participant's defined benefit plan benefits payable from the Retirement System, and

WHEREAS, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System or upon the Alternate Payee's election, but no time before the Participant's earliest retirement eligibility, and

WHEREAS, the Board's policy is to require that the cost for the actuary's calculations are to be borne by the parties to the domestic relations proceedings and the parties' EDRO provides that the parties are to share these additional actuarial costs equally, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as amended, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order, will pay pension benefits consistent with said order upon application by either the Participant or the Alternate Payee, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Carl E. Pritchett, the Participant; Marie A. Pulte, Esq., attorney for the Alternate Payee; Recie L. Pritchett, the Alternate Payee; and the Board's Actuary.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry
and Sheehan – 9

Nays: None

PRESENTATION:

Re: GRS Kona Corp

Louis E. Vogt, President of Banyan Realty discussed with the Board via teleconference following:

- GRS Kona Corp. and GRS Oasis Corp. Kona, Hawaii: Funding request- Budget for 2018 (a/k/a Banyan Land Holding Corporation)
- Fort Shelby update

Motion by: Trustee Anthony– Seconded by Trustee Naglick, motion to approve funding of \$45,000.00 to GRS Oasis as well as to approve the 2018 Budget. The motion passed by a unanimous vote.

Motion by: Trustee Benson– Seconded by Trustee Nickleberry, motion to formally request that Bernard Schrott appear before the General Board of Trustees. The motion passed by a unanimous vote.

Parking Discussion

- *The Board of Trustees engaged in a brief discussion regarding staff parking.*

Re: Employee Loan Program February 21, 2018

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$33,785.00** including interest, be hereby **APPROVED**.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Nickleberry and Sheehan – 9

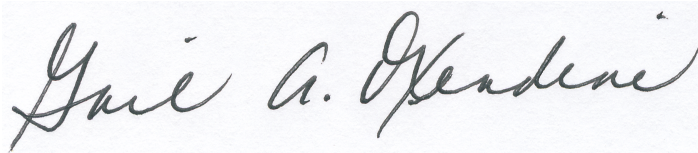
Nays: None

- *Pay card update*
- *CBM Benchmarking report update*

ADJOURNMENT

There being no further business before the Board, **Chairperson Cowan** adjourned the meeting at 11:43 a.m. The Board's next meeting is scheduled for **Wednesday, March 7th, 2018**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "Gail A. Oxendine". The signature is written in dark ink on a light-colored background.

GAIL A. OXENDINE
ASSISTANT EXECUTIVE DIRECTOR